

**ECONOMIC DEVELOPMENT, HIGHER EDUCATION
& ENERGY COMMITTEE
OF THE
SUFFOLK COUNTY LEGISLATURE**

Minutes

A meeting of the Economic Development, Higher Education and Energy committee of the Suffolk County Legislature was held at the William H. Rogers Legislature Building, 725 Veterans Memorial Highway, Smithtown, NY 11787 on Wednesday, **January 21, 2004** in the Rose Y. Caracappa Auditorium at 9:30 A. M.

MEMBERS PRESENT:

Legislator Lynne Nowick - Chair
Legislator Angie Carpenter - Vice Chair
Legislator Jon Cooper - Member
Legislator Jay Schneiderman - Member
Legislator Vivian Viloria-Fisher - Member

MEMBER ABSENT:

Legislator Brian Foley - Member

ALSO IN ATTENDANCE:

Mea Knapp - Counsel to the Legislature
Ilona Julius - Deputy Clerk of the Legislature
Nicholas Dispenziere - Legislator Nowick Staff
Ed Hogan - Aide to Legislator Nowick
Tom Donovan - Aide to Legislator Schneiderman
Eric Brown - Aide to Legislator Schneiderman
Joe Muncey - BRO
Carl Yellon - Aide to Legislator Crecca
George Gatta - Suffolk County Community College
Roger Podd - Intergovernmental Relations/County Executive's Office
Joe Schroeder - BRO
Linda Bay - Aide to Presiding Officer Caracappa
Tom Isles - Suffolk County Planning Department
Kara Hahn - Aide to Presiding Officer Caracappa
Gordian Raacke - CAP
All other interested parties.

Minutes taken by:

Eileen Schmidt - Secretary

(THE MEETING WAS CALLED TO ORDER AT 9:45 A.M.)

CHAIRPERSON NOWICK:

Again, good morning everybody and welcome. This is the first meeting of the year and I welcome my committee, Jay Schneiderman, Legislator Jay Schneiderman. My vice-chair, Legislator Angie Carpenter, Legislator Jon Cooper, Legislator Foley has asked for an excused absence. Evidently, there was a little bit of confusion as to what time the meeting is going to

start. It will be starting at 9:30 on Wednesdays. Legislator Vivian Vilorio-Fisher is also on this committee.

Today we do not have any legislation to consider, but I thought it would be a good time to start the year out and to become a little focused on what we can expect this year. So I've asked a few representatives from the different areas to come in and maybe make a presentation. This morning Roger Podd is representing County Executive Levy's Office and Roger, you didn't have anything to add to this this morning as far as economic development or any of the other areas?

MR. PODD:

No.

CHAIRPERSON NOWICK:

Okay. Maybe at one point in the future we can get together and try to go over a few things to put a little shot in the arm here for economic development. Also with us is Tom Isles, would you like to come up and give us kind of a rundown on what's going on and what can we expect this year?

MR. ISLES:

Good morning. What I can do very briefly is just as a way of introduction and perhaps the context for the year relatively briefly is that one of the functions of the Planning Department is we do track statistics economic, demographic, housing statistics and so forth. And perhaps what I can provide to you is just a quick overview of Suffolk County a perspective and I can also provide to you a handout that we compiled basically on semi-annual basis. But just very briefly in terms of population the County continues to grow in population and as a matter of fact we're actually the fastest growing county in the New York State numerically speaking not percentage wise. So we have a little bit under one and a half million people in Suffolk County and although we think of ourselves as being a conglomeration of communities we mostly identify with our hamlet or our towns. Suffolk County is in a way a powerhouse in the sense that we, as you've heard this statistic before, we're larger than 12 states of over 3,100 counties in the United States we're ranked number 23. We've actually the largest county in the United States without a city. So of all those factors when we look at the economic aspects of our County I think we see some rather significant factors describing our economy and the importance of Suffolk County as a place.

In terms of employment, although we were settled principally our growth period in the 1950's and 60's where our population quadrupled we gained 800,000 residents in 20 years during that period in the post-war period. And we were the prototypical bedroom community with people commuting to Manhattan, to Queens, to Nassau County. Right now about 73% of our population works in Suffolk County so we have over 700,000 of our residents are in the workforce most of them $\frac{3}{4}$ of them work in Suffolk County. Many of them work in Nassau and then the remaining 13% or so work in the New York City five-borough region.

Beyond that looking at the number of businesses in the County it's another interesting statistic here again of the more than 3,100 counties in the United States we're ranked number 13 in the United States in terms of number of businesses. We have over 48,000 businesses according to the U.S. censuses in Suffolk County. Interestingly, and here again, this is a statistic that's out there pretty frequently is the predominance of small businesses. 62% of those 48,000 businesses are with five or less employees and 78% have 10 or fewer employees. So we do have large employers in the County certainly with different manufacturing users Computer Associates

and so forth hospitals and so forth, but the small business out of those 48,000 we have in the County are the bread and butter of the County labor force and very important.

More specific to some of the numbers in terms of office space, manufacturing space and so forth here again if we were a city and people would identify us as being more San Diego over Chicago or something we'd have a certain identity. The fact that we are dispersed with the towns and hamlets that we have the numbers actually add up to levels that do that are comparable to some of the major cities in the United States including 22 million square feet of office space. 35 million square feet of retail space in shopping centers and so forth. We have eight million square feet of space in downtown areas and, you know, here again a rather significant industrial space to. The vacancy rate of industrial space in Suffolk County, pardon me Long Island is about 7.1% which is the eighth lowest vacancy rate out of the 58 largest markets in the nation. So the point being is that we have an economy that's diversified as represented by the substantially yet dispersed office, industrial, retail space that we have.

In terms of employment centers, we have 15 communities in Suffolk County that have more than 10,000 jobs. The leaders being Melville, Hauppauge, and Farmingdale a portion of which is in Suffolk County which each has more than 30,000 jobs. We have over 11,000 hotel and motel rooms tying into obviously a business market as well as a tourism market.

Another interesting factor to Suffolk is that we here again we're certainly in western Suffolk a very suburbanized community with very significant employment base, but we also have as everyone here knows is we have a very significant tourism second home economy. And here again looking at the more than 3,100 counties in the United States we're ranked number six in terms of our seasonal homes, second homes. We have over 38,000 seasonal homes based on the U.S. censuses in 2,000 a very important factor.

Farming is also something that we can lay claim to in terms of our significance we still remain as the number one agricultural county in New York State in terms of the dollar value of our products. And although potatoes are not what they used to be in terms of the products we produce they've been substituted -- they're still important, but they've been substituted more with grapes for vineyards and nursery products in specialized ornamental landscaping items.

So the positive aspect of Suffolk County economically is that the unemployment is better than it was. We did lose 6,000 jobs between 2000 and 2001 in that two-year period most of which were manufacturing jobs. There has been some recovery of that; here again, we have over 734,000 people of Suffolk County residents employed at the present time. We are leaders in the nation in terms of many of the criteria I've mentioned, you know, putting Suffolk County on the map. The problems we face are the problems that you deal with frequently in terms of affordable housing, in terms of transportation and traffic congestion in managing that growth.

So that just to give you an encapsulated view. What I can provide to you is here again just a more detail narrative of the status of our economy and here again this is something we monitor on a six-month basis and provide updates to you on. And certainly any direction or specific area that the committee would like us to look into certainly we can try to consider that and take that into -- and do that.

CHAIRPERSON NOWICK:

Could you give us a copy of that which you were reading?

MR. ISLES:

Sure.

CHAIRPERSON NOWICK:

Tom, what do you see to be the most pressing issue that we as a committee could do to help I guess as the President said last night, proactive economic development. Where do you see where do you think we should be going? How can we help as a committee?

MR. ISLES:

Well, certainly I would defer to the incoming Director of Economic Development to whoever that is to be named and so forth. Obviously, the fact that the County has a Department of Economic Development I think is important and the County has a direct role not only with the function of our IDA not only as an advocate for the County which that department also does in terms of promoting Suffolk County on a national and even global level. {Abarosso} for example a direct economic growth with the fact that we own Gabreski Airport and operate that facility and have opportunities there for industrial growth. We also have a very direct role in a lot of the policies that you implement in terms of open space preservation, farmland preservation; those aspects that enhance the quality of the County for tourism and a second home market. The County has also taken large a role in affordable housing frustrated at time perhaps with actually getting brick and mortar in the ground, but nonetheless we do have housing under construction that this County has made happen. And the County has indicated through policy of the capital budget continued interest and commitment to that, but I think in terms of your question it's really a question too in terms of since the post-war period, you know, we have been continuing to grow. The population growth, here again, was rather explosive in the 50's and 60's following that was then more of a commercial growth. So when we talk about as planners is we have suburbanization of repopulation in the post-war period. Then going into the 1980's we had this suburbanization of jobs when industrial development moved out to Nassau and Suffolk Counties, but what will be a factor is that the straight line growth whether it be of population or jobs is not going to happen. Meaning that we do reach a point of development and right now we're about 83% built out for the County in terms of what we figured to be the built out of the County when you look at the available privately owned vacant land and what the zoning will allow.

So our population is now 1,460,000 people approximately; we believe that the build out saturation population is about 1.7 million people and we think that will occur by the year 2025 approximately. So in the next two decades we will get closer and closer to that 1.7 million persons. We will then be facing a situation of a more of a steady state economy and so we've enjoyed the situation of growth, of development, of new jobs coming in and so forth. That's been kind of like the easy ride --

CHAIRPERSON NOWICK:

But we lost six or seven thousand jobs did you say?

MR. ISLES:

We lost 6,000 jobs; we lost --

CHAIRPERSON NOWICK:

What do we attribute that to?

MR. ISLES:

The down turn of the economy, September 11th.

CHAIRPERSON NOWICK:

So now possibly with the up turn of the economy that might be changing.

MR. ISLES:

Right.

CHAIRPERSON NOWICK:

All these buildings that I see along Vets Highway and 347 all these huge buildings are they and I don't know if you know this answer, are they being fully occupied by businesses? There's some big building out there.

MR. ISLES:

Here again, our vacancy rate is pretty good both in the industrial and office side. That one statistic that's in our report here is that we're actually the 8th ranked office market in the pardon me, industrial market in the United States of the 58 largest markets. There was a much greater vacancy rate that occurred in the late 80's with the down turn in the economy that perhaps over extension of lending and so forth in buildings. So we took a big hit at that point the closing of Grumman or the substantial overproduction of the workforce of Grumman from 25,000 to about 2500. The recent down turn that we went through and are hopefully are coming out of was much less severe; we did lose 6,000 jobs. The recovery in that has been in three sectors with public sector especially in schools because there's been eco-baby boom population in schools, retail and services industries.

So in terms of things that we can do at this point, you know, I think the continual grooming and maintenance of our existing employment centers. I think the policies that you adopt in terms of open space, farmland protection, the things that protect the quality of life preserve. Public health in terms of groundwater protection are important, but here again, facing the fact that the -- we will be reaching that ceiling within a decade or two and looking at more of a steady state how we maintain our economy. We're obviously an island, we're geographically and politically limited in terms of our boundaries. It's not just simply we continue to annex out and expand the areas. So that's probably the key challenge we face.

CHAIRPERSON NOWICK:

And just one last thing, do you see the expansion of Long Island MacArthur Airport a help to us as far as industry. I mean, look that's going to be huge over there; that sounds to me like that could help economic development in the County.

MR. ISLES:

Yeah, I definitely would agree with that. It's been there since World War II; it's been a municipal airport for probably 30 or 40 years.

CHAIRPERSON NOWICK:

It looks to me like it's doubling the size now.

MR. ISLES:

Pardon me.

CHAIRPERSON NOWICK:

It looks like they're doubling the size of it now.

MR. ISLES:

They're adding a number of new gates as part of the Southwest project. The airport is owned by the Town of Islip and it serves a wonderful role as a regional airport. It should not be as is not planned to be an international airport. We have three of those in the center city, but I think MacArthur fits the niche market that we need very well and it is very helpful to our both economic development around the airport at Vets Highway as well as just as the general benefit to the economy and to the population of Suffolk County.

CHAIRPERSON NOWICK:

And although it's not an international airport certainly you can get from anywhere in the United States through the hubs through Islip. Does anybody have any questions? Legislator Viloría-Fisher.

LEGISLATOR VILORIA-FISHER:

Thank you for being here; it's very informative. It's very helpful to have that kind I guess thumbnail sketch of what we're looking at. You mentioned two trends that have been part of the growth of Long Island, the suburbanization which led to sprawling build out and commercialization. We're trying to reverse the sprawl trend by looking at smart growth; we're looking at both suburbanization and commercialization in trying to harness it and concentrate it so that we can address our transportation issues and traffic congestion issues together. How do you see with such a high level of build out already having been reached we're at 83% and already much of our commercial space having also been built out, how can we reverse the trend of suburban sprawl and move to a smart growth paradigm?

MR. ISLES:

That's actually a very good point. And when you talk about the maturing suburb where the simple case of moving down the road to the next potato field and building a subdivision or a shopping center those days being less and less likely the question is where do you go from there. And I think you're right that what it does suggest then is redevelopment. They're a couple of factors that are restricting the use of the remaining vacant land, which includes open space acquisitions by government entities which includes regulatory restrictions by both local zoning requirements as well as by County Health Department standards and so forth. And that's, you know, generally speaking a good thing because those areas do need to be protected they're expensive to service in terms of infrastructures, schools, police, water, sewers and so forth. So it strongly suggests going back to what we've already developed and redeveloping that. And there are encouraging signs in seeing for example the redevelopment of Central Islip Psychiatric Center which had been built a 100 years ago and was no longer needed for that institutional purpose and became an opportunity for redevelopment. And by acting proactively it didn't become what I like to compare it to, which was the Patchogue Lace Mill which sat empty since 1952 and the question is of, you know, taking forward moving steps to make something happen there and I think it did there.

The next one would be Pilgrim State Hospital and those are examples of two institutional uses obviously, very large, very significant, but they're also examples of numerous shopping centers that have gone through rehabilitation. A number of the old Billy Blake's and so forth sat empty because flea markets and things like that. If the simple answer is let's move down the block and build a new shopping center and keep that one vacant for another 40 years that's the wrong way to go. To provide incentives for redevelopment which here again this Legislature has done to encourage that when you think about it too you think about cities that have existed for, you

know, centuries and so forth. And even New York City, which was built out many years ago it's still a major economic hub and it's the factor of redevelopment, reinvestment, change even though the physical form may not appear much different there's constant change occurring within land uses and intensity of development and so forth. So I think your point is well taken that when we talk about the leveling off of the growth curve and where do we go from here and we just can't keep expanding outward ad infinitum we have to go back to the beginning sort to speak. Western Suffolk County contains 89% of our population; it is substantially developed at least the four western towns, Brookhaven less so. And there are many benefits to looking for redevelopment there both with the presence of infrastructure of highways. We've been blessed with this commuter to rail system that's one of the best in the country.

Looking for opportunities for redevelopment where there's been decay and deterioration and here again the Central Islip Psychiatric Center redevelopment was a good example of that. So that really probably a change in the shifting of thinking too in terms of it's already developed we need to find a vacant piece of land and build our housing, build our shopping centers and so forth. And to orient the thinking back to redevelopment, improvement, reinvestment and making better what we've already built in some manner.

LEGISLATOR VILORIA-FISHER:

And not just in those very large scale projects, but we're looking at smaller scale projects where there have been lets say of K-Mart that has shutdown. And looking at how to redevelop areas such as that because those were large parking lots and big box stores that have since failed and we need to look at the redevelopment of those smaller areas.

MR. ISLES:

Absolutely. It could be as small as a little hamlet center --

LEGISLATOR VILORIA-FISHER:

How do you address NIMBY in -- isn't NIMBY going to be a problem?

MR. ISLES:

NIMBY is definitely a problem and it's -- NIMBY is a problem of education. It's interesting too that in, you know, having personally been heavily involved in the Central Islip Project there are communities that embrace new ideas and there are communities that understand that stagnation isn't always the best thing for the community. And even though it's a little bit of a risk in terms of moving into the unknown that we're going to be looking at putting in a federal courthouse and a county courthouse and a college campus. There was much controversy on the college campus, but there was still some -- it was change, it was still different, it was still concern with that. And so I think a couple of points, one is that with redevelopment we're not going out into the Greenfields, the pristine drinking water supply or farmland we're taking something that's been developed perhaps is deteriorated the old Billy Blake or the old K-Mart or something that hasn't seen a nickel invested in it in 30 years. Improving that in my experience, here again, at the town level where I handled applications like that often was a lot easier to get an application like that through versus, here again, in just an open site. And I think to the extent that we can at the County Planning level assist municipalities in that role. The Town of Brookhaven is now involved in two smart growth projects for Mastic-Shirley on County Road 80 and also in the Middle Island corridor where they put into place moratoriums. They're looking at new codes; they've come up with a plan in terms of how that can go in the future in terms of creating (inaudible) development, mixed uses of housing and so forth. So where we can assist that on county highway policy and how we redevelop our roads if we can assist that in County Planning Commission review in terms what our recommendations are, what our standards are and so

forth. And then where we can assist that with the County's affordable housing program the recent smart growth bill you approved last month in terms of providing infrastructure funds and so forth. Those are things that we can do and my attitude on that is to try to have a positive attitude with the towns and use of a carrot than a stick approach with that stuff.

LEGISLATOR VILORIA-FISHER:

I was surprised a few days ago to read in a local paper that there was resistance on the part of one of the western towns with regard to multi-use zoning. I thought that everyone would be on board with that. Does that surprise you or has that been typical?

MR. ISLES:

I can't say it surprises me; I'm not familiar with the specific case. I don't know --

LEGISLATOR VILORIA-FISHER:

Okay, I'll let you off this spot, but --

MR. ISLES:

Change tends to bring, you know, having been here, again, there's a definite deference in the town level than the county level in some respects in terms of land use. And in terms of mixed-use projects, you know, just my experience is that I don't know automatically assume that every mixed project is the best project for the community. There may be valid points that it may be over intense; it may not be the appropriate vocation for it, you know, so it's not a slam-dunk in that sense. But I think a lot of this is a matter of evolution and timing and it's, you know, there's some ideas that are right at a particular point in time in the history of the community. And the example that I remember on that one was we dealt with the issue of access re-apartments in the Town of Islip and we tried to put together post 1983 and we had illegal apartments all over the place and it just wasn't the time. It was one of the most severe debates I've ever seen. And then six or eight years passed and the next supervisor came in and tried to do it and the whole tone was different. And even though there were still objections to it there were a lot of people that said well, we have to do it because to ignore it it's not going to go away.

I saw in that period a complete shift where it was 100% opposition to it like a 50/50 kind of thing. And so, you know, when we talk about something different than what we're accustomed to this standard zoning pattern of separating uses and so forth there's a certain comfort to that. In terms of the need for workforce housing or something different in terms of how we develop our communities. It may take some time, it may take some education, and I think it also takes pilot projects to set the example and show people that, you know, you can do something a little bit different and it actually turns out better than what we had in the past. And you know the intent is not to force feed this to the public because it has to really come from the public in the end, but it may take some time getting there, it may take some grooming. It will take projects that will not go forward for various reasons, but I think over the period of time of explaining and understanding and it's not to say that the planners or the developers have the answers and this is what it should be. I think that process is healthy to shape and craft what's an appropriate community based solution too.

LEGISLATOR VILORIA-FISHER:

Thank you, Tom.

CHAIRPERSON NOWICK:

Thank you too. When you mentioned the adaptive reuse of some of these facilities let's not

forget Kings Park Psychiatric Center because we are in dire need over there in my district.

MR. ISLES:

That's the one that's most ripe at this point so far.

CHAIRPERSON NOWICK:

Oh, yeah, that is and I agree with Legislator Vilorio-Fisher. In a lot of buildings we see them probably in your district the K-Mart over there. I almost think though with the economy the change in the economy we might see these buildings start to flourish again. Anybody else have any questions? Legislator Schneiderman.

LEGISLATOR SCHNEIDERMAN:

A couple of quick questions. The County relies more heavily on sales tax revenue than it does on property tax revenue. There's been an explosive growth in the real tax assessments in the County through the housing boom, which has been beneficial to the towns that rely heavily on property tax revenues. Do you have a sense I know you talked before 6,000 jobs being lost, but in terms of the growth sales within the County has that number been increasing or decreasing now in particularly in proportion to the County's expenses?

MR. ISLES:

Growth of sales tax revenue?

LEGISLATOR SCHNEIDERMAN:

Right. Or the sales itself because the sales tax is slightly higher than it had been in the past so it might be slightly confusing. And I do understand that a lot of sales now have, you know, there's people purchasing online, you know, through the internet and you might not get a true picture of what the sales might be because of those factors. But in terms of the sheer amount of taxable sales has that grown proportionately with the County's expenses?

MR. ISLES:

Actually, not and we actually did a separate study on retail sales about two years ago. I don't have that in front of me, but we do have some of the basic facts, but we are a very strong retail market there's no question about that. We do about \$43 billion a year in retail sales in the Nassau/Suffolk the bi-county region and that's how that's statistic is presented. It's not broken down by county which is about \$46,000 per household. When we look at this two years ago we found that that hadn't changed a lot when you adjust for inflation and so forth. And so in terms of the question are we really expanding the disposable income in terms of spending for retail purchases the answer was, not really.

So we had some growth in population as I indicated so there is that is fueling that, but in terms of a dramatic change, no. And I can certainly provide you a copy of that report that -- because that was really looking at the question, do we need to build more retail shopping centers in Suffolk County, this constant pressure on a lot of the towns for that. And we basically found is that the answer is, no. That the amount of retail space we have for the dollar available to spending and number one and number two how we compared nationwide that how many square feet of retail space do we have per capita? We have way above what the national average is even with the current stock of retail development. So we looked at it from that perceptive and indirectly that would relate to sales tax revenue.

LEGISLATOR SCHNEIDERMAN:

So economic development might better than focus on producing something that would be sold outside of Suffolk County.

MR. ISLES:

Right.

LEGISLATOR SCHNEIDERMAN:

Like a hi-tech product etc. Something that might provide high wagers commensurate with the quality of living in the area.

MR. ISLES:

Absolutely. The concern with retail is it's basically taking the same dollars and spending it just redistributing the spending in the County, but things like obviously, industrial development, manufacturing. Even the seasonal homes, the 38,000 seasonal homes and the tourism economy we have that brings dollars into the County is very important to us.

LEGISLATOR SCHNEIDERMAN:

Right, but the home industry tends to generate a lot of manual labor and a lot of that, you know, doesn't require a college degree; it tends to pay lower wagers. And we know that on lower wagers it's very difficult to live in Suffolk County. My second question has to do with smart growth parcels as Vivian Fisher, Legislator Fisher spoke about. The towns as you know many of the towns are flushed with funds for preservation and they like the County are looking toward more open space preservation and many have developed open space plans. I know the County's in the process of updating its open space plan. There are some parcels that maybe targeted by towns in downtown centers that, you know, maybe on bus routes that may fit the criteria for, you know, the smart growth concept and I'm wondering, is the County looking at parcels. I know we're looking at open space parcels, but are we looking at parcels that may have potential benefits for, you know, housing or for job creation and putting them in a special category and say, okay, maybe these should not be targeted with open space funds. But we want somehow intensify the towns to use these help meet community needs or County needs.

MR. ISLES:

Well, generally speaking in terms of the open space funds, they are required to relate to it. The purpose of the open space program that it's funded from such as drinking water much relate to there's five criteria in the statute; so typically that would steer it away from a site that would be suited for intense development. In basic answer to your question is the County pinpointing sites for housing or job development, not really. In the case of open space the County can act on it's own to go out and buy a parcel or preserve farmland and so forth.

In terms of affordable housing we certainly do work to try to identify sites and locations, but we do that through the municipalities. And one of the things we did last year is we visited every town planning department and community development department. Among a number of other efforts we did to ask them, what do you think you want to see affordable housing in your community where can we help you with that? And actually we specifically encouraged the redevelopment of sites saying is there some commercial site that's dilapidated that needs reinvestment. So based upon the home rule powers and the fact that the town controls the zoning we try to work with the towns as much as possible rather than us coming in and saying, well, we think this should be the site we'd like to hear from them saying we think we'd like the County to consider these sites.

We're open to suggestions on that so if there's another approach that you would like us to consider we'd be more than happy to do that. We'd like to see more done with the housing program that we have, but obviously the towns and villages are keyed to that as well.

LEGISLATOR SCHNEIDERMAN:

My last question has to do with Gabreski Airport which you mentioned earlier, you know, clearly there's an opportunity there to do some economic development, you know, to work with the towns I'm sure the Town of Southampton in this case in coming out with a plan. I'd like to hear if you have any ideas of how to best utilize that site and that asset in general the Gabreski Airport.

MR. ISLES:

Okay. First and foremost would be the fact that we do have an industrial park plan for that location. The County has proceeded with the removal of the former airport buildings in large part. The County has also proceeded with setting up funding for planning and infrastructure development. So by putting in the drainage, the roads and so forth getting the sites ready for the development opportunities that exist. So that should continue I think in terms of pursuing that in terms of the overall airport itself. Here again, that's under the jurisdiction of Economic Development. Historically, they've worked with the County Planning Department extensively and we're pleased to do that. There are a number of things that are being done and need to be done at the airport in terms of updating the instrument landing system and so forth, but that's a great asset for the County. It's one that is not only for general aviation purposes, but the National Guard and so forth.

So in quick answer to your question the industrial park I think we should continue with that and actually get buildings in the ground as soon as possible that are appropriate to County objectives as well as town goals. Number one and number two we should continue seeking funding for reinvestment in the airport in terms of the basic infrastructure, which will include dealing with the issue of the aviation related private uses such as hangar space and so forth and issues related water and electric service to certain areas. Those are all issues that have been actively worked and ones that the Airport Screening Committee as well as the Department of Economic Development will continue to need to be addressed.

LEGISLATOR SCHNEIDERMAN:

Thank you.

MR. ISLES:

Okay.

CHAIRPERSON NOWICK:

Legislator Vilorio-Fisher.

LEGISLATOR VILORIA-FISHER:

Just a quick question. Last year Presiding Officer Maxine Postal introduced legislation calling for the siting of government offices in downtown areas. Although that particular legislation did ultimately not pass; well, it did pass, but it was vetoed and I don't believe we were able to override it. There were issues of -- there were home rule issues, who would decide which offices go where. Would it be the town the Legislature, etc. Are we still looking at that kind of model with regard to downtown areas although that particular legislation was with all of its demands

and requirements although that wasn't passed are we looking at siting of government offices in downtown areas?

MR. ISLES:

Well, what I can tell you is that you mentioned smart growth earlier and the Legislature had directed the Planning Department a number of years ago to prepare a smart growth plan which Steve Jones the County Planning Director at that time did do. A follow-up to that was that the plan recommended that there be a separate committee formed actually review and rank those recommendations that was formed with County Executive Gaffney and the Legislature about a year and a half ago. That committee met a total of 12 times and we completed a report that came out this past November and that has a number of recommendations in terms of what can the County do to promote smart growth good development in Suffolk County and good preservation in Suffolk County. That report was completed two months; my intention with that is that with the change in the administration is to brief the County Executive's Office on that number one and to come before at least the Environment, Planning and Agricultural Committee to give a presentation on that.

But basically to answer your question is that that report Steve Jones' report recommended that the County site new facilities in downtown areas. The facilities that are appropriate to downtown locations certainly not necessarily highway storage yards and things like that, but offices and so forth. So there are a number of recommendations in that report that we would like to present that can be implemented either at the executive level, legislative level or maybe even further legislation at the state level and so forth. And that's one of those specific recommendations that we should actually put that into gear and we actually talk about how to we actually administer that and actually make it part of the institutional framework of county government. So it's just not a happenstance kind of decision that it's part of the day to day decision making that we do that these consideration of how we make decisions at the county level that affect physical development, community development and so forth become part and parcel of our decision making process actually.

LEGISLATOR VILORIA-FISHER:

Thank you.

CHAIRPERSON NOWICK:

I think the part of that why that was vetoed was because it took away the power of the local government and I think that's probably why it went down.

LEGISLATOR VILORIA-FISHER:

Yes. I remember that that was part of the discussion at that time.

CHAIRPERSON NOWICK:

Well, thank you very much I appreciate the update and the printout. George Gatta, did you want address us? Give us an update on the initiatives for satellite offices that we were reading about in the paper. Give us a quick overview.

MR. GATTA:

Good morning.

CHAIRPERSON NOWICK:

Good morning.

MR. GATTA:

Good morning. If I could just touch on one issue that was in the news late yesterday that will have an impact on the community college as we move forward and that was the proposal by the Governor in his budget to reduce full time equivalent funding by 5% or \$115 per FTE. That could have a significant impact on the college's finances for next year estimated to be somewhere in the range of \$1.8, \$1.9 million. So as we move forward in the next few weeks and months we want to obviously work very closely with you and our state elected officials to insure that that reduction in funding is restored by the Legislature. It's critically important not just in terms of direct impact and what's happened historically, but one of the reasons I'm sitting before you and giving you an update on why the college would like to expand in downtown areas is that enrollment at Suffolk Community College's three campuses is and has been growing significantly over the past four to five years. We're now at a point where there is virtually no instructional space available to meet the colleges' mission, which is to be an open access institution of high education for the residents of Suffolk County. It's a good problem, but it's one that we need to address and we need to address it in a way that makes sense not just for the college community, but for everyone that we try to serve throughout the County.

Now we have programs that have been growing significantly and ones that haven't been able to grow because they're in facilities that are not sufficient to accommodate that demand. One of the good examples that was used recently by the media was the expansion of our culinary arts program; that's currently situated at the eastern campus and it's being run out of a facility that was never designed to be a culinary instructional space. In fact it's the cafeteria or the food service facility at the eastern campus. In order for that program to meet the demands that our students and future students have for it we need to find a location where we can provide state of the art facilities and also allow the program to grow to meet the demand. Since part of that's associates degree program is academic those components would stay at the eastern campus. And that's one of the reasons we will be looking to locate that culinary hands on instructional facility in a downtown in close proximity to the eastern campus. A great candidate would be downtown Riverhead and it now only meets our needs, but we think it meets the needs of communities and their need to revitalize those downtown centers. Make them centers of real economic activity, social activity, and educational activity so it works from a program point of view it also works from a community and economic development point of view.

We also have populations in the County that are growing significantly that need access to our campuses that currently don't have it. They don't have their own automobile; they rely on public transportation. We also have growing demand for ESL, GED and some other specialty programs. The college feels that to make our campuses as accessible as possible we should disperse them in other parts of the County, again, to reinforce not only our mission to make it open access to everyone to provide the facilities, but to be a part of the revitalization of downtown areas. The board of trustees at their last meeting on January 8th approved the issuance of a request for proposals, which will be completed in about two weeks. We plan to issue that and to go through a competitive process to review proposals from property owners, developers and they could even be public entities to lease and/or sell the college space for those facilities. We're not talking about full campuses; we're talking about small satellite centers. The eastern center would be somewhere in the range of 20 to 25,000 square feet. The other facilities that could be located in other downtowns which would be a combination of continuing education classes and traditional college curriculum would be smaller probably somewhere in the 12 to 15,000 square foot range. But again, they bring significant activity to those downtowns and make our services much more

accessible to the populations that we're trying to serve.

I will be communicating with all the members of the Legislature as soon as the RFP is complete and we'll be asking for your assistance as we move forward in this process. We recognize that it will take resources to make these facilities happen. And we've also begun a very aggressive outreach campaign to our state and elected officials to identify resources at those levels of government to help us. So far the reaction has been positive both from local and state officials and I know I had a conversation with a number -- informal conversations with a number of Legislators here at the County who've also been very excited about the possibility of the college moving forward with these initiatives. With that I'd be glad to respond to any questions you might have.

CHAIRPERSON NOWICK:

Thank you, George, you know I find it interesting that on one hand we're reading in the newspaper about a reduction in monies. And then last night I remember hearing the President say how we must support our community colleges and make sure they are funded and that got a big round of applause. So trying to on one hand they would take away and on the other hand they give, we're not sure.

MR. GATTA:

Well, last year the state the Governor proposed a much bigger cut in the FTE and the Legislature, the State Legislature did restore that funding. So, you know, were fairly hopeful that that will be restored, but you raise a very good point especially in the context of the discussion and the presentation that Tom Isles just made. And when you ask about what can we do, what's the most important thing we can do going forward to insure that our economy thrives? And when you take all the factors into consideration that exist on Long Island today and are likely to be here for the next 10, 15, 20 years our only hope for building our economy really building our economy based on the fact that our population will not grow significantly. Based on the fact that traditional manufacturing, especially manufacturing of commodities will not grow, will not propel us because we can't compete on cost. The only way we will be able to compete going forward is with our human capital, with our intellectual capital, with our high value added in every industry. 38,000 second homes they're here for a reason. They're here because we've got great quality of life.

CHAIRPERSON NOWICK:

I think it's the warm weather.

(Laughing)

MR. GATTA:

But we also have some great, you know, world class attractions. We've got some of the best restaurants in the world; hence we need better chefs, we need a better culinary program.

CHAIRPERSON NOWICK:

Absolutely correct.

MR. GATTA:

But an investment at the federal level in community colleges recognizes that knowledge is changing so quickly today versus 40 years ago. Forty years ago it took the Koreans fifteen years to copy our television technology. Today when a chip manufacturer comes out with a new

generation of chip it only takes them eight month to copy exactly what we've done. So we've got to be on cutting edge in every field with the most current knowledge that's available.

The community college in its mission is critically important because we train most of the students that we train we educate stay and work here on Long Island. We also have a convergence of number of events that are going to be real challenges not just nationally, buy locally and they are that the demographics will not supply the number of workers that we need going forward in sheer numbers. And when you look at the growing segments of our minority community which will become much more important components of our economy and of our workforce going forward. Traditionally, those segments of our population have not gone on to higher education at the same rate as Caucasians have gone on. And that's a challenge to us because if our economy is going to be dependent on the growth of technology and value added in innovation and the expansion of our intellect then we have to make sure that those components of our population which will be growing much faster than white members of our society. We've got to make sure that the programs are in place and the assistance is there to help them achieve that level of higher education that they will absolutely need, that our industries will absolutely need to propel them to compete not just nationally, but internationally going forward.

So in my opinion I think the President's remarks were last night in his commitment to supporting the workforce development efforts as community colleges is right on target. And unfortunately, the Governor's proposal to cut our FTE is not on target and if anything we need to find ways to build on what we're already doing. And make sure that every member of this society that wants to go on and can go on for higher education even if they need remedial work, which the community college provides a significant amount of. That they have that opportunity to go forward and compete and be part of that intellectual growth that innovation which will drive us forward nothing else will.

CHAIRPERSON NOWICK:

Legislator Carpenter.

LEGISLATOR CARPENTER:

Thank you. A number of things, first of all I'd like to say that I think the fact that this committee is the Economic Development, Higher Education and Energy Committee again as it was many, many years ago. There is such a tie between education and economic development and to have ignored it for the many years that we've had in the past was a mistake I think. The fact that the college has shown a renewed willingness to address economic development issues by creating the position that you hold really is going to go a long way to having some real positive results. I am so excited about the prospect of having the campus or having the college locate some space for the downtowns. I know that we've addressed downtown issues many times in the past, but this is a real win, win for everyone involved.

There were a couple of things that you said, George, the culinary program that the facilities in Riverhead were never really designed for that. I know that there was a very successful program there when John Ross headed it a number of years ago. I was told and I know we raised this when we had that little reception when Dr. Pippins was here at the Legislature. I was told that the kitchen in the western campus actually was built with the idea in mind that it could support a culinary program. Did you guys ever look into that or could you look into that?

MR. GATTA:

I could certainly look into it. I'm not aware of that, but we could check on that, sure.

LEGISLATOR CARPENTER:

Because, you know, whenever you are there you can tell that it's certainly under utilized. The amount of equipment that is there seems to indicate that perhaps that is a fact. Also I have a number of times in the past attempted to get the idea of dorm rooms for the community college in place and felt that it would be most appropriate at the eastern campus, the gateway to the Hampton's. That if we had a program, an expanded culinary program and perhaps a hotel management program with 11,000 hotel, motel rooms in Suffolk County that it could be something that would be very successful and then in the summer months it could be a elder hostel.

So I know we had meetings in the past with the past President LaLima, we actually met at the eastern campus with Legislator Caracciolo, but that didn't seem to go anywhere. So I would appreciate it if you could mentioned that to Dr. Pippins and maybe, you know, look at that initiative again. You said that the Governor is proposing a \$150 decrease --

MR. GATTA:

115.

LEGISLATOR CARPENTER:

115, okay. Last year the larger increase that he proposed was not adopted. Did it wind up being flat, I can't remember?

MR. GATTA:

It was flat, yes.

LEGISLATOR CARPENTER:

It was flat. So how long has it been since we've seen an increase?

MR. GATTA:

There were increases up until last year.

LEGISLATOR CARPENTER:

Okay. So that was the first year.

MR. GATTA:

There were approximately \$50 a year and I believe it was over the past three or four years we had seen \$50 increments per up until last year when there was a \$255 FTE proposed reduction.

LEGISLATOR CARPENTER:

I'm going to ask Counsel on my behalf and perhaps the rest of the committee would like to consider sponsoring at least a Sense Resolution asking that not only if not be decreased, but that it be increased. Especially, in light of what the President is saying, that we need to be more supportive of our community colleges the fact that we did not have an increase last year and the increases in past years have been modest. That I think it might be time to look at that and it would be something that our own legislative delegate could take to Albany and advocate for on our behalf. I think that's it. The downtowns, the RFP's that you're talking about, you said two weeks that they're going to be available or going out?

MR. GATTA:

We're planning on completing it in about two weeks when we will send you all a copy and some

other information about the proposal.

LEGISLATOR CARPENTER:

Well, I certainly, and I know this is going come as no surprise would love to see, you know, Bay Shore one of the initial sites. It was very interesting the town board just recently approved the use of the Vitagraph building for student housing with the Touro campus right across the street literally, feet from the downtown area. Suffolk County certainly would be a very, very positive addition in that whole area and, you know, students right there living right there. It certainly would make sense.

MR. GATTA:

We are very excited about the possibilities and we're looking forward to working very closely with towns that want to partner with us. I think one thing that maybe I forgot to mention was we want to make sure that our efforts are building on what is already a commitment of a reality in some instances where a town is committed and have taken actions whether it's beginning planning document or actual implementation of some revitalization efforts to work with us. So that will be part of the consideration when we make decisions on the ultimate locations. We want a partner in and be part of a greater revitalization effort.

LEGISLATOR CARPENTER:

Great. I think certainly then Bay Shore sounds like it would qualify with the fact that the town was very much a partner with the County in the re-use of the mini-center in going through what we needed to go through to make that happen. And then this Legislature certainly was very much involved in that and that has been very, very successful and has helped the revitalization that the downtown is now enjoying. So thank you very much.

MR. GATTA:

Thank you.

CHAIRPERSON NOWICK:

Legislator Vilorio-Fisher.

LEGISLATOR VILORIA-FISHER:

It seems the welcome mat is out for this plan. The first time I met with Dr. Pippins at my office Swezey's had just closed in Setauket and I suggested to her, what a great space for Suffolk Community College to come out here and use some of this space. And while since then we have another large tenant whose talked about moving into that space, but I agree with Legislator Carpenter I think that there's great -- I believe Suffolk County Community College will be welcomed wherever you decide to site these satellite facilities. What is the utilization level now at the college, are we at 95?

MR. GATTA:

The instructional space is above 90% so during prime hours it is impossible to fine an additional classroom. I know because I went through it last week; I had two GED classes that had to vacate a space that's being renovated. And we're really pulling our hair out trying to fine space for these GED classes at the Ammerman campus and the same situation exist at the other campuses as well.

LEGISLATOR VILORIA-FISHER:

Having done high school scheduling and knowing what it's like when you reach that 90% it's an impossible task so commiserate with you. Going back to a point that the Chair had alluded to which was the state of the union message last night I had written down notes as you were speaking because it was a good point that was made that we need to support our community colleges. And I'm thinking particularly in terms of the HVAC training that we will be initiating at the community college, how much access do you think we would have to those federal funds that were alluded to last night? What is the status, are they a reality what is it?

MR. GATTA:

At this point I understand it's a proposal and the proposal was for I heard \$125 million nationwide flowing through states to community colleges. I'm sure it'll be competitive process; we will, you know, very aggressive in our attempts to compete for and secure whatever funding is available. The HVAC program is up and running on the western campus in partnership with the Oil Heat Institute of Long Island and it's, actually there's going to be a I think a grand opening ceremony.

LEGISLATOR VILORIA-FISHER:

Yes, it's this week. It's tomorrow isn't it?

MR. GATTA:

Yes, this week. Yes, exactly.

LEGISLATOR VILORIA-FISHER:

And by the way I guess they had gotten a heads up as to the -- that point being made at the state of the union because it was mentioned. Well, there's going to be a proposal for some state money for federal money for this. So I was wondering if with that kind of heads up if we've already begun the process of grant writing or trying to access that money, but as you say its in the conceptual stage right now.

MR. GATTA:

Well, what we're doing is we're meeting with our federal officials and in during those conversations we're asking for any information and all information that's currently available so that we can begin, you know, planning for the actual submission of applications, but as the regulations become available.

LEGISLATOR VILORIA-FISHER:

Okay. There was another question and I need to ask my colleagues who attended the open house at the new jail renovation in Yaphank with me, last night the President also alluded to monies available for the training of people who are in jail --

CHAIRPERSON NOWICK:

Exodus Program.

LEGISLATOR VILORIA-FISHER:

Exodus, okay. And I believe that we saw in the jail that there were training facilities for people who were interested in going into the food preparation industry. Does the community college have any hand in that, who is doing the training? Do you know if --

MR. GATTA:

I don't know that, but I can get back to you with the answer.

LEGISLATOR VILORIA-FISHER:

Because that may be another way of looking at bringing federal funds here if in fact that Exodus Program does become a reality, if there will be funds available. And if our college has any part in the training of the inmates in this Exodus Program perhaps we can access some of those funds.

CHAIRPERSON NOWICK:

Wasn't like \$125 million towards this?

LEGISLATOR VILORIA-FISHER:

Well, that seems to be the magic number here.

MR. GATTA:

That was for the community college, yes.

CHAIRPERSON NOWICK:

For the Exodus also?

LEGISLATOR VILORIA-FISHER:

It seemed to be the number that was repeated and so --

CHAIRPERSON NOWICK:

It seemed to be a big number.

LEGISLATOR VILORIA-FISHER:

It's just something that I thought I might put on your radar screen as something that we had seen in our tour of the new facilities. They are state of the art facilities there at the jail renovation and -- in Yaphank and I thought if we are going to have faculty members have any part in that training it would be another way to access funds. We have to fight for every penny in education.

MR. GATTA:

Yes. I just had one other point if I could. One of the other proposals that was in the Governor's budget yesterday was to reduce the tuition assistance program. And it would do it in a way where current recipients would receive 2/3 of their tuition assistance payment in them, current year, current semester, but it would defer 1/3 of those tuition assistance payments until after they graduate. That would not only hurt the neediness of our students based on income tests that, you know, make it a determination currently that they need this assistance to go to college. But it would also impact, we believe, the college's enrollment so it would have an indirect impact on the colleges revenue.

CHAIRPERSON NOWICK:

I would have to agree with that. I think that when you're preparing to go to college that every penny is a factor. And certainly along the way here if there's anything we as a Legislature or as a committee can do to help ascertain whether it's federal funds or state funds or state funds I'm sure we would. I speak for my colleagues we are all interested in doing that; it's imperative that we continue supporting our community college. And we will be aggressive and we will help you in any way we can.

MR. GATTA:

Thank you.

CHAIRPERSON NOWICK:

Thank you for your presentation.

MR. GATTA:

Thank you very much.

CHAIRPERSON NOWICK:

If there is no further business, does anybody have any questions? Anybody out in the audience have any questions? If not --

LEGISLATOR VILORIA-FISHER:

Madam Chair I just have one more thing.

CHAIRPERSON NOWICK:

Okay.

LEGISLATOR VILORIA-FISHER:

Before we break because we've seen some very compelling presentations today.

CHAIRPERSON NOWICK:

Excellent.

LEGISLATOR VILORIA-FISHER:

And they were very informative and much to the point and important, but there's one part -- piece of our economic development that we haven't looked at and that's child care and child care as part of our economic growth and economic development. And I will suggest Madam Chair that we invite the authors of a new report has been done as of a child care and the child care industry as an important economic engine in Suffolk County to provide a presentation.

CHAIRPERSON NOWICK:

Do you have their names.

LEGISLATOR VILORIA-FISHER:

I will provide all of that for you and I would suggest that they be invited to come to share their findings.

CHAIRPERSON NOWICK:

That would be fine, give me the information.

LEGISLATOR VILORIA-FISHER:

Thanks.

CHAIRPERSON NOWICK:

Thank you and with that we are adjourned.

(Having no further business, the meeting was adjourned at 10:48 A. M.)

{ } denotes spelled phonetically)